



**ARIZONA STATE SENATE**  
*Fifty-Second Legislature, Second Regular Session*

**AMENDED**  
FACT SHEET FOR S.B. 1524

regulatory actions; limitation

Purpose

Limits regulatory restrictions a municipality, county or state agency may place on an individual or business.

Background

The county Board of Supervisors is responsible for creating procedures for the adoption, amendment, repeal and enforcement of rules offered by a county department, agency or other unit of county government. A *rule* means a county statement of general applicability that implements, interprets or prescribes law or policy, including prescribing fees (A.R.S. § 11-251.18).

An ordinance, resolution or franchise passed by the governing body of a city or town becomes effective no less than 30 days after its passage by the council. In order for the ordinance, resolution or franchise to become operative it must be approved by the mayor, unless it is passed over the mayor's veto and the clerk of the city or town certifies the meeting minutes at which the action was taken (A.R.S. § 19-142).

Arizona Revised Statutes, Title 41, Chapter 6, Article 3, establishes the statutory requirements for agencies in regard to rulemaking authority. Statute defines *rulemaking* as the process for formalization and finalization of a rule and a *rule* as an agency's statement of general applicability that implements, interprets or prescribes law or policy, or describes the procedure or practice requirements of an agency (A.R.S. § 41-1001). Additionally, statute establishes an *agency* for the purposes of rulemaking as boards, commissions, departments, state administrative units and officers with the exception of the Legislature, courts and the Governor (A.R.S. § 41-1001). Statute requires that agencies make rules of practice setting forth the nature and requirements of all formal procedures available to the public (A.R.S. § 41-1003).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

1. Prohibits a municipality, county or agency from an action that increases the regulatory burdens on a person, if is not specifically authorized by statute, unless there is a threat to the

health, safety or welfare of the public that has not been addressed by legislation or self-regulation within the proposed regulated field.

2. Stipulates unless specifically authorized by statute, ordinance or code a municipality, county or agency may not impose a regulation on a business that provides a Qualified Marketplace Platform for individuals to offer or procure goods and services, if the regulation is designed to regulate a business that provides goods or services directly to the customer.
3. Makes technical changes.
4. Becomes effective on the general effective date.

Amendments Adopted by Committee of the Whole

- Stipulates unless authorized by statute, ordinance or code a municipality, county or agency may not impose a regulation on a business that provides a digital platform for individuals to offer or procure goods and services from each other.

Amendments Adopted by the House of Representatives

1. Requires a threat to the health, safety or welfare of the public for increases regulatory burdens.
2. Updates reference from digital platform to Qualified Marketplace Platform.
3. Defines *Qualified Marketplace Contractor* and *Qualified Marketplace Platform*.

Senate Action

GOV	2/17/16	DP	6-0-1-0
3 <sup>rd</sup> Read	2/29/16		23-7-0

House Action

COM	3/9/16	DPA	5-3-0-0
3 <sup>rd</sup> Read	3/28/16		35-23-2-0

Prepared by Senate Research

March 28, 2016

RH/rf